

**NOTICE OF WORKSHOP TO SOLICIT COMMENTS  
ON PROPOSED TEMPORARY<sup>1</sup> REGULATIONS  
AND WORKSHOP AGENDA**

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”), is proposing the adoption, amendment or repeal of regulations pertaining to **chapter(s) 687B** of the Nevada Administrative Code (“NAC”). A workshop has been set for **1:00 p.m. on November 14, 2016**, at the following location:

**Nevada Division of Insurance, 1<sup>st</sup> Floor Hearing Room  
1818 E. College Parkway, Suite 103  
Carson City, Nevada 89706**

Interested persons may also participate through a simultaneous videoconference conducted at:

**Nevada Division of Insurance, 3<sup>rd</sup> Floor Conference Room  
Bradley Building  
2501 E. Sahara Avenue, Suite 302  
Las Vegas, Nevada 89104**

The purpose of the workshop is to solicit comments from interested persons on the following general topic(s) that may be addressed in the proposed regulation; and to assist in determining whether the proposed regulation is likely to impose a direct and significant burden upon a small business or directly restricts the formation, operation or expansion of a small business. Please submit any written comments no later than **November 7, 2016**.

**LCB File No. T007-16. Network Adequacy Plan Year 2018.**

A REGULATION relating to insurance; establishing certain requirements relating to the adequacy of a network plan issued by a carrier; and establishing provisions relating to the determination by the Commissioner of Insurance of whether a network plan is adequate.

A copy of all materials relating to the proposal(s) may be obtained at the workshop or by visiting the Division’s Internet Web site at <http://doi.nv.gov/> or by contacting the Division, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, (775) 687-0700. A reasonable fee for copying may be charged. Members of the public who would like additional information about the proposed regulation may contact Susan Bell, Legal Secretary, at (775) 687-0704, or via e-mail to [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

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<sup>1</sup> NRS 233B.063(3) An agency may adopt a temporary regulation between August 1 of an even-numbered year and July 1 of the succeeding odd-numbered year without following the procedure required by this section and NRS 233B.064, but any such regulation expires by limitation on November 1 of the odd-numbered year. A substantively identical permanent regulation may be subsequently adopted.

Notice of the workshop was provided via electronic means to all persons on the agency's e-mail list for noticing of administrative regulations. This *Notice of Workshop to Solicit Comments on Proposed Regulations* was posted to the agency's Internet Web site at <http://doi.nv.gov/>, the Nevada Legislature's Internet Web site at <http://www.leg.state.nv.us>, and at the following locations:

Department of Business and Industry  
Division of Insurance  
1818 East College Parkway, Suite 103  
Carson City, Nevada 89706

Legislative Building  
401 South Carson Street  
Carson City, Nevada 89701

Blasdel Building  
209 East Musser Street  
Carson City, Nevada 89701

Nevada Department of Employment,  
Training and Rehabilitation  
2800 E. Saint Louis Ave.  
Las Vegas, NV 89104

Carson City Library  
900 North Roop Street  
Carson City, Nevada 89701

Douglas County Library  
P.O. Box 337  
Minden, Nevada 89423

Esmeralda County Library  
P.O. Box 430  
Goldfield, Nevada 89013

Humboldt County Library  
85 East 5th Street  
Winnemucca, Nevada 89445

Las Vegas-Clark County Library District  
7060 W. Windmill Lane  
Las Vegas, NV 89113

Lyon County Library  
20 Nevin Way  
Yerington, Nevada 89447

Department of Business and Industry  
Division of Insurance  
2501 East Sahara Avenue, Suite 302  
Las Vegas, Nevada 89104

Grant Sawyer Building  
555 East Washington Avenue  
Las Vegas, Nevada 89101

Capitol Building Main Floor  
101 North Carson Street  
Carson City, Nevada 89701

Nevada State Library & Archives  
100 North Stewart Street  
Carson City, Nevada 89701

Churchill County Library  
553 South Main Street  
Fallon, Nevada 89406

Elko County Library  
720 Court Street  
Elko, Nevada 89801

Eureka Branch Library  
P.O. Box 293  
Eureka, Nevada 89316

Lander County Library  
P.O. Box 141  
Battle Mountain, Nevada 89820

Lincoln County Library  
P.O. Box 330  
Pioche, Nevada 89043-0330

Mineral County Public Library  
P.O. Box 1390  
Hawthorne, Nevada 89415

Pershing County Library  
P.O. Box 781  
Lovelock, Nevada 89419

Storey County Clerk  
P.O. Drawer D  
Virginia City, Nevada 89440


Tonopah Public Library  
P.O. Box 449  
Tonopah, Nevada 89049

Washoe County/Downtown Reno Library  
P.O. Box 2151  
Reno, Nevada 89505-2151

White Pine County Library  
950 Campton Street  
Ely, Nevada 89301

Members of the public who are disabled and require special accommodations or assistance at the workshop are requested to notify the Commissioner's secretary, in writing, no later than five (5) working days before the meeting: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

DATED this 26<sup>th</sup> day of October, 2016.

  
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BARBARA D. RICHARDSON  
Commissioner of Insurance

## **WORKSHOP AGENDA**

The State of Nevada, Department of Business and Industry, Division of Insurance

**November 14, 2016 • 1:00 p.m.**

**Location of Workshop:**

Office of the Division of Insurance  
1818 E. College Pkwy., 1<sup>st</sup> Floor Hearing Room  
Carson City, NV 89706  
(Division Offices located in Suite 103)

**Available via Videoconference at:**

Office of the Division of Insurance  
2501 E. Sahara Ave., 3<sup>rd</sup> Floor Conference Room  
Las Vegas, NV 89104  
(Division Offices located in Suite 302)

1. **Call to Order.**
2. **Presentation and Discussion of Proposed Regulation. (For Possible Action)**  
**LCB File No. T007-16. Network Adequacy Plan Year 2018.**

A REGULATION relating to insurance; establishing certain requirements relating to the adequacy of a network plan issued by a carrier; and establishing provisions relating to the determination by the Commissioner of Insurance of whether a network plan is adequate.

3. **Public Comment.**
4. **Adjournment.**

Supporting public material for this meeting may be requested from Susan Bell, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, (775) 687-0704, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public Comment may be limited to three minutes per speaker.

Members of the public are encouraged to submit written comments for the record.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Commissioner's secretary, in writing, no later than five (5) working days before the meeting: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

NOTICES FOR THIS MEETING HAVE BEEN POSTED IN ACCORDANCE WITH NRS 241 AT THE FOLLOWING LOCATIONS:

Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706  
Nevada Division of Insurance, 2501 E. Sahara Avenue, Suite 302, Las Vegas, Nevada 89104  
Nevada State Legislative Building, 401 S. Carson Street, Carson City, Nevada 89701  
Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101  
Blasdel State Office Building, 209 E. Musser Street, Carson City, Nevada 89701  
Nevada State Capitol, 101 N. Carson Street, Carson City, Nevada 89701  
Nevada Dept. of Employment, Training and Rehabilitation, 2800 E. Saint Louis Avenue, Las Vegas, Nevada 89104  
The Nevada State Legislature Website ([www.leg.state.nv.us](http://www.leg.state.nv.us))  
The Nevada Division of Insurance Website ([www.doi.nv.gov](http://www.doi.nv.gov))  
The State of Nevada Website ([www.nv.gov](http://www.nv.gov))

**PROPOSED TEMPORARY REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**LCB File No. T007-16**

October 13, 2016

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§1-29, NRS 679B.130 and 687B.490; §30, NRS 679B.130, 695C.130 and 695C.275.

A REGULATION relating to insurance; establishing certain requirements relating to the adequacy of a network plan issued by a carrier; and establishing provisions relating to the determination by the Commissioner of Insurance of whether a network plan is adequate.

**Section 1.** Section 9 of LCB File No. R049-14 is hereby amended to read as follows:

Sec. 9. 1. For the purpose of determining the adequacy of a network plan made available for sale in this State, ~~[the Commissioner]~~ *a network plan must contain, at a minimum, the following:*

- (a) ~~[h]~~ Hereby adopts by reference the standards contained in the *latest version of the ~~[2017]~~ Letter to Issuers in the Federally-facilitated Marketplaces* issued by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services. A copy of the letter may be obtained free of charge at the Internet address <https://www.cms.gov/CCIIO/resources/regulations-and-guidance/>~~[:]~~.
- (b) *The provisions of NRS 689A.0435, 689C.1655, 695C.1717, and 695G.1645; and*
- (c)

<i>Specialty  Area</i>	<i>Maximum Time and Distance Standards  (Minutes/Miles)</i>			
	<i>Metro</i>	<i>Micro</i>	<i>Rural</i>	<i>Counties with Extreme Access</i>

				<i>Considerations(CEAC)</i>
<i>Pediatrics</i>	<i>25/15</i>	<i>30/20</i>	<i>40/30</i>	<i>105/90</i>

2. Upon the issuance of a new *Letter to Issuers in the Federally-facilitated Marketplaces*, the Commissioner will determine whether the requirements of sections 2 to 18, inclusive, of this regulation, including, without limitation, the standards adopted by reference in subsection 1, conform with any similar standards prescribed in the new *Letter to Issuers in the Federally-facilitated Marketplaces*. If the Commissioner determines that the requirements of sections 2 to 18, inclusive, of this regulation do not conform with any similar standards prescribed in the new *Letter to Issuers in the Federally-facilitated Marketplaces*, the Commissioner will hold a public hearing concerning possible amendments to sections 2 to 18, inclusive, of this regulation and give notice of that hearing in accordance with NRS 233B.060 at least 30 days before the date of the hearing.

**STATE OF NEVADA  
DEPARTMENT OF BUSINESS & INDUSTRY  
DIVISION OF INSURANCE**

**Determination of Necessity - Small Business Impact Statement**

LCB File No. T007-16  
NETWORK ADEQUACY PLAN YEAR 2018

A temporary regulation relating to insurance; establishing certain requirements relating to the adequacy of a network plan issued by a carrier; and establishing provisions relating to the determination by the Commissioner of Insurance of whether a network plan is adequate.

EFFECTIVE DATE OF REGULATION:  
January 1, 2018

**1. BACKGROUND**

Chapter 687B of NAC was amended, under LCB file number R049-14, to add provisions relating to the adequacy of a network plan.

The temporary regulation complies with the requirement that the Commissioner issue the network adequacy standards required of all network plans. The purpose of the temporary regulation is to establish network adequacy standards for plan year 2018 network plans.

**2. DESCRIPTION OF SOLICITATION**

The Division of Insurance drafted a survey requesting respondents self-identify as a statutory small business and provide feedback concerning the effects of the proposed temporary regulation on business. The survey consisted of the following questions.

1. "Do small businesses offer a health insurance plan with an in-network benefit to their employees? If so, what is the percentage of small businesses that offer this type of product to their employees?"
2. "Do small businesses plan to offer a health insurance plan with an in-network benefit to their employees for plan year 2018? If so, what is the percentage of small businesses that plan to offer this type of product to their employees for plan year 2018?"

The survey was sent to the Las Vegas Metro, the North Nevada, and the Elko Area Chambers of Commerce for distribution to their members. A response was requested by the close of business on Tuesday, October 18, 2016. To date the Division has not received any comments. The Division will continue to solicit comments from the small business community during the workshop and hearing process. The Division will update the small business impact during this process to include any feedback received.

3. DOES THE PROPOSED TEMPORARY REGULATION IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A SMALL BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A SMALL BUSINESS? (NRS 233B.0608.1)

☒ NO (answer #4)

☐ YES (skip to #5)

4. HOW WAS THAT CONCLUSION REACHED? (NRS 233B.0608.3)

The Division of Insurance has reached out to the Las Vegas Metro, the North Nevada, and the Elko Area Chambers of Commerce, but has received no response to the survey. Based on analysis done by Division staff, the Division anticipates the impact of the proposed regulation on small business to be minimal to none given that many network plans currently offer the benefits to be measured. Further, during the two-year process of promulgating the network adequacy regulation, which involved numerous parties, comments, and meetings, the Division received no comments that suggest that the quantifying network adequacy standards in the regulation would cause the relevant impact on small businesses. The Division has also conducted extensive analysis and research of network adequacy standards to determine its reach.

I, BARBARA D. RICHARDSON, Commissioner of Insurance for the State of Nevada, hereby certify to the best of my knowledge or belief a concerted effort was made to determine the impact of the proposed regulation on small businesses and that this statement was prepared properly and the information contained herein is accurate. (NRS 233B.0608.3)

10/26/16  
(DATE)

  
BARBARA D. RICHARDSON  
Commissioner of Insurance

**Small Business Impact Statement**

LCB File No. T007-16  
NETWORK ADEQUACY PLAN YEAR 2018

5. SUMMARY OF COMMENTS RECEIVED FROM SMALL BUSINESSES (NRS 233B.0609.1.a)

Comment: Received a question regarding the network adequacy of hospitals. The commenter wanted clarification from the Division about whether a facility would have to offer the services listed in NRS 449.012 in order to meet the criteria of being a hospital.

Other interested parties may receive a copy of this summary by contacting Kim Everett, Assistant Chief, Life and Health Section, Nevada Division of Insurance, at (775) 687-0735 or [keverett@doi.nv.gov](mailto:keverett@doi.nv.gov).



6. ESTIMATED ECONOMIC EFFECT ON SMALL BUSINESSES THE REGULATION IS TO REGULATE  
(NRS 233B.0609.1.c)

The Division does not anticipate a direct or significant economic burden on small businesses. Health care providers that qualify as small businesses may, as a result of the regulation, have more opportunities, options, or negotiating power.

7. METHODS CONSIDERED TO REDUCE IMPACT ON SMALL BUSINESSES (NRS 233B.0609.1.d)

No method considered as no impact anticipated.

8. ESTIMATED COST OF ENFORCEMENT (NRS 233B.0609.1.e)

The Division anticipates no additional costs. NRS 687B.490(6) requires that any expense borne by the Division in determining the adequacy of a network plan be assessed against the insurance carrier applying for the network plan approval.

9. FEE CHANGES (NRS 233B.0609.1.f)

None.

10. DUPLICATIVE PROVISIONS (NRS 233B.0609.1.g)

There are no other regulations that overlap or duplicate the temporary regulation.

11. HOW WAS THE ANALYSIS CONDUCTED? (NRS 233B.0609.1.b)

Subject matter experts reviewed and studied data, comments, and reports collected related to network adequacy and considered implications as a result of different scenarios.

12. REASONS FOR CONCLUSIONS (NRS 233B.0609.1.h)

Health benefits added by the temporary regulation are already offered by many network plans in Nevada. The temporary regulation codifies the standards to ensure all network plans meet the minimum network provisions for consumers.

I, BARBARA D. RICHARDSON, Commissioner of Insurance for the State of Nevada, hereby certify to the best of my knowledge or belief a concerted effort was made to determine the impact of the proposed regulation on small businesses and that this statement was prepared properly and the information contained herein is accurate. (NRS 233B.0609.2)

10/26/16  
(DATE)

BARBARA D. RICHARDSON  
Commissioner of Insurance